



LPC

January 30, 2023

Welcome to “Water week!”



ROADMAP

1. **Minutes and Bill Tracker**
2. **Justice Courts** – Discussion & Feedback
3. **Sand and Gravel Pits** – Discussion & Action
4. **Housing & Land Use** – Discussion & Direction
5. **Aggregated Appropriation Request** – Update
6. **Ratify Bill Tracker Positions** – Action



KEY MESSAGE TO LEGISLATORS



The State has a surplus but cities do not.



Partner with local government to plan for growth.

- Approve Minutes
- Bill Tracker Preview – ulct.org/bills

JUSTICE COURTS – HB210

- Discussion with Courts

SAND & GRAVEL PITS – SB75

Original Bill *(passed out of committee)*

- Distributes the local sales and use tax revenue from sales made by ready-made concrete manufacturers to each county, city, and town with a sand and gravel extraction site within its boundaries
- Specifies a formula by which the State Tax Commission apportions the revenue
- Requires the county, city, or town to use the revenue for class B and class C roads

SAND & GRAVEL PITS – SB75

Substitute Bill *(not yet adopted)*

- Clarifies that the point of sale is where the truck is weighed not the call center where the order is taken

SAND & GRAVEL PITS – SB75

Key Provisions

- Redistributes sales tax funds from ready made concrete to gravel pit cities and towns
- Keeps sales tax funds in cities/towns with weigh stations instead of going to call centers

Position?

RECAP: HOUSING AND LAND USE

Housing and Land Use in the 2022 Interim and happenings in other states

- 1) Binding general plans
- 2) Change zoning from legislative to administrative
- 3) Preemption of local zoning
- 4) Housing allowed in all residential zones (“by right housing”)
- 5) State mandated minimum density in cities
- 6) State mandated reduction of impact fees
- 7) Creation of state appeals board to review local land use regs or decisions
- 8) Withholding B&C funds
- 9) Authorizing attorneys fees for suing over MIHPs



Your city housing data, “one size misfits all” message, and our willingness to address our own administrative land use have all helped!

LIMITED INFRASTRUCTURE DISTRICTS (LIDs)

Why a LID?

What: Creation of a district with gov't power ("sovereign power") to access municipal bond market

Why: Potentially lower-cost financing for infrastructure

Outcome: Build needed infrastructure to open up areas for housing & development

Questions that the LPC subgroup asked and we are awaiting answers from proponents:

- What is sufficient sovereign power for district to exist?
- Affordability connection (potential)?
- Process if default occurs?
- Impact fees, exactions?
- Infrastructure that the LID would finance and NOT encumber?
- Infrastructure completion process?
- Subrogation of debt?

POTENTIAL LID SEQUENCE

- 1) City approves general plan
- 2) City approves infrastructure plan with engineering standards, map, etc.
- 3) City approves zoning
- 4) Property owner files complete application for land use
 - a) would include plan to build req'd infra
- 5) City approves land use application
- 6) Property owner secures financing to build project, including infrastructure
 - a) Commercial loan
 - b) Creation of PID with city approval
 - i) PID may levy property tax to pay off bond
 - c) Creation of LID without city approval
 - i) LID may NOT levy property tax to pay off bond
- 7) Once infrastructure is built to city standards per plan and is no longer encumbered, property owner deeds infra to city to maintain

LIDs CONTINUED

What would a LID be?

- Potential financing vehicle for developers to fund public infrastructure by accessing the public bond market
- LID would require 100% of property owners within boundaries to consent
 - Unlike PIDs, no local gov't authorization
- LIDs would not rely on property tax to pay off the bond
 - Debt would be repaid incrementally upon the building permit being issued for a lot
 - Prohibits mill levy of limited property tax
- LIDs have no zoning or subdivision authority
- Local ordinances govern subdivision improvements
 - Local utility provider would approve all plans, no improvements local jurisdiction doesn't want
- Must dedicate public infrastructure to the local gov't without debt obligations
- LID would need a sovereign power (taxing, eminent domain, police)

UEOC - Comm. on Housing Aff.

Fillmore bill coming this week

1) Subdivisions (ULCT Board & LPC proposal from Oct/Nov)

- Proposal: standardized 2 step process; preliminary review & final approval; staff administers final approval without a public mtg

2) Station Area Plans and administrative approval & timelines

- Proposal: if application (site plan?) is 100% consistent with SAP and zoning, then staff approval only (staff rec: TBD)

3) Internal accessory dwelling units (IADUs) modifications

- Proposal: clarify that units above attached garages are IADUs (staff rec: work on it)
- Proposal: clarify that local gov'ts may not regulate "internal circulation" (staff rec: work on it)
- Proposal: clarify that local gov'ts may not regulate external architectural elements (staff rec: work on it)
- Proposal: modify the language about 1 parking spot (staff rec: hold line on policy, LPC subgroup)
- Proposal: modify the 25% exclusion for IADUs to not exclude "new growth" (staff rec: hold line on policy, LPC subgroup)

Fillmore bill: IADU parking

HB 82 (2021): *“City may require 1 add’l on site parking space for an IADU, regardless of whether the primary dwelling is existing or new construction”*

Fillmore: “additional” to what? Can the owner prove “sufficiency?” Does not want to undermine HB 82 compromise or result in street parking challenges

PRC idea 1: delete parking req’t (ULCT pushed back)

PRC idea 2: city may require no more than 3 total on-site parking spaces, including tandem driveway parking capacity (ULCT pushed back)

ULCT idea A: city may require 1 ***dedicated*** on site parking space for an IADU; address street parking; owner may use an existing garage or driveway?

Fillmore bill: IADU and 75/25%

HB 82 (2021): *City may prohibit IADUs in 25% or less of the area of the city zoned residential*

PRC proposal 1: delete it (ULCT pushback)

PRC proposal 2: 25% should not exclude new construction which can best plan for and accommodate IADUs (ULCT pushback)

Fillmore: respects intent of HB 82 but sees PRC point; asked for ULCT reply

ULCT Qs: definition of “new construction,” infill v. greenfield, location of new development within system infra

LPC action item on Fillmore bill

Volunteers to meet w/ULCT staff immediately after LPC to do:

- Garage/external
- IADUs
 - Review parking
 - Review 75/25%
- Station Area Plans (with Farmington City reps)
 - Review Station Area Plans and site plan proposal

4) Consequences for compliance & non-compliance with moderate income housing plans (MIHP)

- Initial CHA proposal: withhold class B&C funds
 - LPC survey results, 1/18 & 1/23: **very unfavorable**
- LPC survey results for **least objectionable options**:
 - Incentive: eligibility for 5th 5th (sales tax \$ for cities), and
 - Penalty: contribution to Olene Walker housing fund

Land Use Task Force (some housing related)

Contact Shawn Guzman or Cam

1. Annexation
 - a. def. of rural real property; consider preference of owner; other changes likely for 2024
2. Development agreements
 - a. can't require DA to access underlying zoning
3. Development standards (see next slide)
4. Landscaping bond
 - a. When a local gov't can require a bond to complete privately owned landscaping that has a quasi-public use
5. Moratorium
 - a. def. of how & when moratoriums may be used; overlap with temporary land use regs

Non-LUTF/CHA but housing related: LIDs (subgroup underway)

Next negotiation: Tues., Jan. 31

Contact Shawn Guzman for more info

Framework of ULCT position:

- 1) Minimum of 32 foot asphalt standard instead of the PRC proposed 25 foot standard
- 2) Vesting in improvement standards at the time of a complete application
- 3) Appeal process (mirroring existing framework in statute)
- 4) Engineering review timelines -
 - Four Review Maximum - no new city requirements after four
 - 20 day shot clocks for local gov't review
 - Must have all redlines addressed to count toward a review
- 5) Requirement to have checklist for all items necessary for complete application
- 6) Requirement for pre-application meeting within 15 business days (if requested by applicant)

Commission on Housing Affordability report (initial Whyte bill coming soon)

1) HB 462/Moderate income housing plan fixes

- Clarify reporting content
- Removes inconsistent requirements for HB 462
- Modify timelines
- Appeal process
- Other cleanup language

2) Appropriation requests

- Utah Housing Preservation Fund
- Housing Support Grant Program
- Increase the aggregate low-income housing tax credit
- First time home buyers program
- Rural housing loans

LPC action items on MIHP and STR

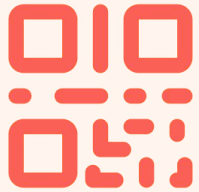
MIHP requirements review work group to meet this week

Short term rental work group will meet on Tuesday

Contact Karson about both at keilers@ulct.org



slido



**Join at slido.com
#1539952**

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Housing package as of today

- 1) Significant state investment in low-income & permanent supportive housing
- 2) State Infrastructure Bank
- 3) Subdivisions systemic change for *administrative* land use
 - # of hearings
 - Development engineering standards
 - shot clocks
- 4) IADU clarifications
- 5) SAP clarifications
- 6) MIHP consequences based on what we commit to do
 - Incentive (new sales tax \$)
 - Penalty (Olene Walker Fund)
- 7) LUTF:
 - development agreements
 - landscaping bonds

LIDs: still TBD



What are your thoughts on the housing package as described (recognizing some details tbd)?

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Is there anything missing from the housing package?

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SHORT TERM RENTALS – HB 293

Applies to All	Voluntary Program
<ul style="list-style-type: none">1) Re-writing of Knotwell language2) Requirement for STR owner to disclose valid state sales tax license number	<ul style="list-style-type: none">1) Sunset in 2026<ul style="list-style-type: none">a) Legal Q about sunseting land use2) Must allow STRs in 80% of residential zones3) Amnesty to STR owner who by Oct 4, 2023 obtains all licenses4) Report data to GOEO5) City may increase their TRT to 1.5%6) City may assess fine of up to \$1000 for lack of license

Next steps: LPC STR subgroup on Jan. 31

LOCAL REVENUE

Gas tax: HB 301 (Schultz)

Sales tax: 5th 5th for transportation (bill to come)

- Status quo: county imposed .20 by June 30 exclusively for transit
- Potential changes:
 - UTA must get 50%; remaining 50% split between counties & cities
 - In non-UTA, transit gets 25%; remaining split between counties & cities
 - Extend authorization to non-transit counties; 60% counties, 40% cities
 - Be ready to advocate to legislators

Fees: stay tuned

- potential bill to limit how cities can collect and use all types of fees
- potential bill to limit development fees in name of housing affordability

SLIDO Questions



What do you think about the voluntary program concept?

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Did your city raised public safety wages in fiscal year 2022?

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What impact would retirement bills have on your budget?

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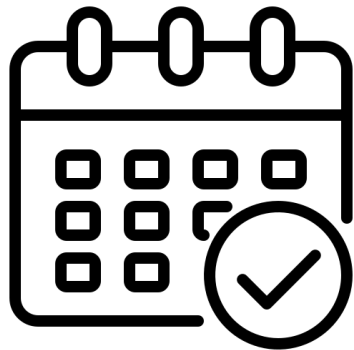
What impact would retirement bills have on public safety compensation in your city?

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Bill Tracker – Ratify Positions

www.ULCT.org/bills

OTHER KEY DATES & INFORMATION



- **Upcoming LPCs**

- Monday, February 6
- Monday, February 13
- Tuesday, February 21
- Monday, February 27

- **National League of Cities: March 26-28 in Washington, DC**

- **Midyear Conference: April 19-21 in St. George**

Appendix

The State of Utah has a surplus but cities don't.

Growth message

Call to Action: All Cities and Towns

The State Has A Surplus, Cities Don't



We Need You to Contact Your Legislators!

Call to Action: All Cities and Towns

The State Has A Surplus, Cities Don't

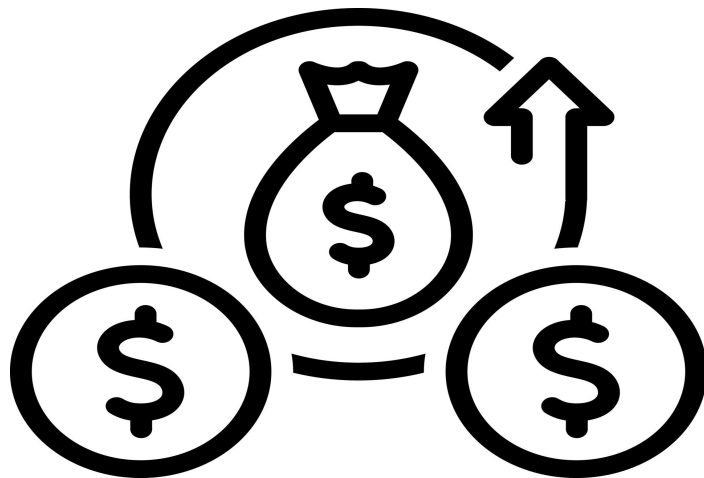


**SURPLUS
BUDGET**

We Need You to Contact Your Legislators!

Call to Action: All Cities and Towns

The State Has A Surplus, Cities Don't



We Need You to Contact Your Legislators!

#CITIESWORK

Call to Action: All Cities and Towns



Ensures Quality of Life Amid Growth

Call to Action: All Cities and Towns

Partnership



Fosters Quality of Life in a Growing Utah